

February 5, 2007

Lester Snow, Director
California Department of Water Resources
P.O. Box 942836, Room 1115-1
Sacramento, CA 94236-0001

Dear Lester:

With the current general questions being raised about accountability for how bond funds are spent, the Valley Center Municipal Water District strongly opposes the recent Department of Water Resources (DWR) staff proposal to summarily abandon the Proposition 50, Cycle 2, Grant Application process in favor of awarding grant funding to the nine proposals that were not selected during Step 2 of Cycle 1.

While this may seem expedient, the proposal is inconsistent with the November 2004 Grant Program Guidelines that were prepared with extensive stakeholder input. The guidelines clearly state that there would be two open and competitive funding cycles. Changing the rules of the program in the middle of the funding process unfairly denies regions such as San Diego an opportunity to compete for its share of these funds.

For accountability's sake, our agency disagrees with any proposal to combine Proposition 50 and Proposition 84 funds. The funds must be kept separate, and the state must recognize that the voters of the state passed two separate and independent measures. The funding process must provide fair access for all regions of the state to both Prop 50 and Prop 84 funds.

For the future credibility of the bond funded programs, we strongly urge DWR and the SWRCB to follow the established guidelines for distribution of Proposition 50 grant funding.

Thank you for your consideration.

Sincerely,

Gary Arant
General Manager
and
Director, San Diego County Water Authority